

# ITEL

## Rail Division

Two Embarcadero Center  
San Francisco, California 94111  
(415) 955-9090  
Telex 34234

13198  
RECORDATION NO. .... Filed 1425

JUL 21 1981 -2 15 PM

INTERSTATE COMMERCE COMMISSION

July 20, 1981

Ms. Agatha Mergenovich, Secretary  
Interstate Commerce Commission  
Washington, D.C. 20423

Dear Ms. Mergenovich:

Pursuant to 49 U.S.C. Section 11303(a) and the Interstate Commerce Commission's rules and regulations thereunder, I enclose herewith on behalf of Itel Corporation, Rail Division ("Itel"), for filing and recordation four (4) counterparts of the following document:

Lease Agreement dated as of June 12, 1981 between Itel Corporation, Rail Division, as Lessor and agent and East Camden and Highland Railroad Company as Lessee (the "Lease")

The names and addresses of the parties to the aforementioned Lease are:

1. Itel Corporation, Rail Division *Lessor*  
Two Embarcadero Center  
San Francisco, CA 94111
2. East Camden and Highland Railroad *Lessee*  
P.O. Box 3180  
East Camden, Arkansas 71701

The equipment covered by the Lease is one hundred (100) ton boxcars (A.A.R. mechanical designation XM; 60'10" in length), bearing the reporting marks EACH 4151 through and including EACH 4250.

Also enclosed is a check for \$50.00 for the required recordation fee.

PSP/A/17

Ms. Agatha Mergenovich  
July 20, 1981  
Page Two

Please stamp all counterparts of the enclosed document with your official recording stamp. You will wish to retain one (1) counterpart of the document for your files; it is requested that the remaining three (3) counterparts be delivered to the bearer of this letter.

Sincerely,

  
Patricia Salas Pineda  
Counsel

PSP:sc  
Enclosures

cc: Linda Lawrence  
Iitel Corporation

Margaret Mackenzie  
Iitel Corporation

L-0192  
6/23/81

13198  
REGISTRATION NO. \_\_\_\_\_ FILED 1425

LEASE AGREEMENT

JUL 21 1981 -2 15 PM

INTERSTATE COMMERCE COMMISSION

THIS LEASE AGREEMENT (the "Agreement") made this 12th day of June, 1981, between ITEL CORPORATION, RAIL DIVISION, a Delaware corporation, Two Embarcadero Center, San Francisco, California, 94111, as the lessor and agent ("Lessor") and EAST CAMDEN AND HIGHLAND RAILROAD COMPANY, an Arkansas corporation, East Camden Industrial Park, Building 142, East Camden, Arkansas, 71701, as the lessee ("Lessee").

W I T N E S S E T H :

WHEREAS, Lessor has leased to Providence and Worcester Company ("P&W") under a lease (the "Lease") dated March 13, 1978, six hundred (600) freight cars; and

WHEREAS, by Assignment dated April 24, 1980 P&W assigned said Lease to Warwick Railway Company ("WRWK"); and

WHEREAS, by supplemental agreement entered into between Lessor and WRWK, WRWK has (a) appointed Lessor as its agent with full power and authority and in the name of Lessor (but on behalf of WRWK) to enter into one or more sublease agreements with third parties covering some or all of such freight cars, (b) empowered Lessor to deliver possession of such freight cars to such third parties, and (c) granted Lessor the right to negotiate such subleases with any terms and conditions which are satisfactory to Lessor.

WHEREAS, Lessee desires to lease a portion of such freight cars from Lessor upon the terms and conditions hereunder.

NOW, THEREFORE, in consideration of the promises and mutual covenants contained herein, the parties agree as follows:

I. Scope of Agreement

- A. Lessee agrees to lease from Lessor, one hundred (100) boxcars of the type and description set forth in the schedule executed by the parties hereto and made a part hereof. The word "Schedule" as used herein includes the Schedule or Schedules executed herewith or any additional schedules and amendments thereto each of which when signed by the parties shall become a part of this Agreement. The scheduled items of equipment are hereinafter called collectively "Cars" and each individual scheduled item of equipment is hereinafter called "Car".
- B. It is the intent of the parties to this Agreement that Lessor shall at all times be and remain the lessor of the Cars. Lessee agrees that it will at no time take any action or file any document which is inconsistent with the foregoing intent and that it will take such action and execute such documents as may be necessary to accomplish this intent.

2. Term

- A. This Agreement shall remain in full force and effect until it is terminated as to all of the Cars provided herein. Delivery with respect to all of the Cars shall be deemed to have taken place on the day the first Car is remarked, as set forth in Section 3 herein ("Delivery Date"). The term of this Agreement with respect to each Car described on each Schedule shall commence upon the Delivery Date and shall expire three (3) years from said Delivery Date ("Initial Term").
- B. If this Agreement has not been earlier terminated and no default has occurred, which is continuing, this Agreement shall be automatically extended for not more than five (5) consecutive periods of twelve (12) months each (the "Extended Terms") with respect to all of the Cars described on each Schedule.
- C. Either Lessor or Lessee may, at its option, at any time during the Initial Term or any Extended Terms hereof, upon not less than ninety (90) days prior written notice to the other party, terminate this Agreement as to all or any portion of the Cars, but in no event shall such termination by Lessor or Lessee become effective prior to the end of the Initial Term.

3. Acceptance and Remarking

Lessee hereby approves the specifications for the Cars to be delivered to it by Lessor. Lessor shall, at its expense, remark the Cars with the railroad markings of Lessee in compliance with all applicable regulations. Lessor shall, on behalf of Lessee, inspect and accept the Cars found to be in mechanical and safety compliance with all applicable Association of American Railroads ("AAR") and Federal Railroad Administration ("FRA") rules and regulations, and shall provide Lessee with Certificates of Acceptance with respect to such Cars ("Acceptance"). Each Car shall become subject to the terms and conditions of this Agreement on the date such Car is Accepted. Due to the nature of railroad operations in the United States, Lessor can neither control nor determine when the Cars leased herein will actually be available to Lessee for its use on its railroad tracks. Lessor agrees to assist Lessee in monitoring Car movements in accordance with Interstate Commerce Commission ("ICC") and AAR interchange agreements and rules. For purposes hereof, the term Initial Loading ("Initial Loading") shall be the earlier to occur of either the first loading of freight for each Car on Lessee's railroad line or March 1, 1982.

4. Force Majeure

Neither party to this Agreement will be liable for nonperformance or delay in the performance due to any cause not in its control ("Force Majeure"). If affected by Force Majeure, the party so affected will give notice to the other party hereto as promptly as possible of the nature and probable duration of such Force Majeure. If, because of Force Majeure, either party hereto is unable to carry out any of its obligations under this Agreement, then the obligations of such party will be suspended to the extent made necessary by Force Majeure.

Force Majeure will include, without limitation, acts of God, legislation or regulations of any governmental body, court decrees, acts of the public enemy, riots, strikes, labor disputes, labor or material shortages, fires, explosions, floods, breakdown of or damage to plants, equipment or facilities. The effect of any event of Force Majeure will be eliminated by the party affected as promptly as possible.

**5. Record Keeping**

- A. Lessor shall, at its expense, prepare and file, with respect to the Cars, all documents relating to the registration, maintenance and record-keeping functions normally performed by a railroad with respect to railroad equipment of the type subject to this Agreement. Such matters shall include, but are not limited to, the preparation of the following documents: (a) appropriate AAR interchange agreements with respect to the Cars; (b) registration of the Cars in the Official Railway Equipment Register and the Universal Machine Language Equipment Register; and (c) such reports as may be required from time to time by the Interstate Commerce Commission ("ICC") and/or any other regulatory agencies with respect to the Cars.
- B. Lessor shall perform all record-keeping functions relating to the use of the Cars by Lessee and other railroads, including but not limited to car hire reconciliation, maintenance and repair, and billing in accordance with AAR railroad interchange agreements and rules. All record-keeping performed by Lessor hereunder and all records of payments, charges and correspondence relating to the Cars shall be separately recorded and maintained by Lessor in a form suitable for reasonable inspection by Lessee from time to time during regular business hours. Lessee shall supply Lessor with copies of such records as Lessor may reasonably request.

**6. Maintenance, Taxes and Insurance**

- A. Except as herein otherwise provided, Lessor shall pay all costs, expenses, fees and charges incurred by Lessee in connection with the use and operation of each of the Cars, including but not limited to, repairs, maintenance and servicing, unless the same was occasioned by the fault of Lessee or in instances in which the AAR interchange rules would assign responsibility for such loss, damage, destruction or liability to Lessee.
- B. Lessor shall make or cause to be made, at its expense, all repairs, inspections, maintenance, alterations, modifications or replacement of parts as shall be necessary to maintain the Cars in good operating condition as specified in the AAR Interchange Rules. Lessee shall forward to Lessor, immediately upon receipt, all correspondence relating to maintenance and repair of the Cars, including invoices for repair and requests for disposition. Lessee shall also, as may be required, upon having knowledge thereof, immediately notify Lessor of any accidents causing substantial damage to the Cars. Lessee may, at its option, make running repairs to the Cars to facilitate the continued immediate use of said Cars, but shall not make any other repairs, alterations, improvements or additions, except as provided herein. If Lessee makes such repairs,

alterations, improvements or additions without Lessor's prior written consent, Lessee shall be liable to Lessor for the costs to restore said Cars to the condition in which they existed at the time of delivery less normal wear and tear. Lessor shall reimburse Lessee for all cost and expense incurred by Lessee in performing running repairs in accordance with current AAR billing rates. As between Lessee and Lessor, title to any such repairs shall be and remain with Lessor.

- C. In the event that any or all of the Cars require storage at any time during the Initial Term or any Extended Terms hereof, Lessee shall be responsible for the following: (1) all transportation costs incurred to move the Cars to such storage location; (2) all transportation costs incurred in removing such Cars from the storage location; and (3) the actual costs incurred for the storage of any or all of the Cars.
- D. Lessee shall at all times while this Agreement is in effect be responsible for the Cars while on Lessee's railroad tracks in the same manner that Lessee is responsible under Rule 7 of the AAR Car Service and Car Hire Agreement Code of Car Service Rules-Freight for freight cars not owned by Lessee on Lessee's railroad tracks. Lessee shall protect against the consequences of an event of loss or damage involving the Cars while on Lessee's railroad tracks by obtaining all risks railcar physical damage insurance. Lessee shall also maintain bodily injury and property damage liability insurance. Lessee shall furnish Lessor concurrently with the execution hereof and thereafter at intervals of not more than twelve (12) calendar months with certificates of insurance with respect to the insurance, required as aforesaid, signed by an independent insurance broker. All insurance shall be taken out in the name of Lessee and Lessor as their interests may appear.
- E.
  - (i) Lessor agrees to reimburse Lessee, within thirty (30) days from Lessor's receipt of a copy of the receipted tax bill paid for all taxes resulting from ad valorem tax assessments on the Cars as referenced in Schedule(s); or for any assessment, levy or impost paid by the Lessee relating to each Car and on the Agreement or delivery thereof which remained unpaid as of the date of delivery of such Cars to Lessee or which may be accrued, levied, imposed or assessed during the terms of this Agreement, except taxes on income imposed on Lessee, gross receipts or sales and use tax imposed on the mileage charges and/or car hire revenue or sale or lease of the Cars. Lessor and Lessee will comply with all state and local laws requiring filing of ad valorem tax returns associated with the Cars. Notwithstanding any portion of this Section, Lessor shall not be responsible for penalty or interest assessments resulting from Lessee's failure to comply with any regulation or statute of any city, county, state or other taxing or assessing authority.
  - (ii) Lessee shall direct to Lessor for approval of filing, not later than ten (10) working days prior to filing, any sales or use or other tax return including, but not limited to, property, gross receipts or rental tax returns, with relevant information from Lessee's proposed sales, use or the tax returns. Lessee shall forward to Lessor upon

receipt all correspondence, notifications of proposed tax assessments and tax bills associated with any tax reimbursable by Lessor. Lessor may, in good faith and by appropriate proceedings, contest any assessment, notification of assessment or tax bill. Lessor shall assume full responsibility for all expenses including legal fees resulting from such contest.

7. Lease Rental

- A. In connection with Section 5 above, Lessor shall receive all payments made to Lessee by other railroad companies for their use or handling of the Cars, including but not limited to mileage charges and straight car hire revenues. Any payments received directly by Lessee for car hire revenues shall be forwarded promptly to Lessor.
- B. For purposes hereof, Revenue earned, hereinafter defined as ("Revenues"), shall be the total Revenues due from other railroad companies for the use of the Cars, whether or not collected and received by Lessor and without regard to any claimed abatement, reduction or offset, provided, however, that upon the occurrence of any such abatement, reduction or offset Lessee shall, within ten (10) days, reimburse Lessor.
- C. For purposes hereof, Base Rental ("Base Rental") shall be defined as the sum equal to the Revenues which the Cars would have earned in the aggregate at a Utilization Rate (as defined below) of sixty-nine (69) percent.
- D. For the purposes hereof, the Utilization Rate ("Utilization Rate") of the Cars shall be determined by a fraction, the numerator of which is the aggregate number of days in each calendar year that Revenues were earned on the Cars, commencing from the Initial Loading, and the denominator of which is the aggregate number of days in each calendar year that the Cars are on lease to Lessee, commencing from the Initial Loading.
- E. Lessor shall receive all Revenues earned by the Cars prior to their Initial Loading.
- F. Lessee agrees to pay the following rent to Lessor for the use of the Cars:
  - (i) In the event that the Revenues earned in any calendar year or applicable portion thereof are equal to Base Rental, Lessee shall pay to Lessor an amount equal to Base Rental;
  - (ii) In the event Revenues earned in any calendar year or applicable portion thereof are less than Base Rental, Lessee shall pay to Lessor a sum equal to one hundred percent (100%) of the total Revenues.
  - (iii) In the event Revenues earned exceed the Base Rental in any calendar year, Lessee shall pay to Lessor an amount equal to the Base Rental and Lessee shall receive all Revenues received in excess of the Base Rental.

- G. In the event damage beyond repair or destruction of a Car has been reported in accordance with Rule 7 of the AAR Car Service and Car Hire Agreement Code of Car Hire Rules-Freight, upon Lessor's receipt of the appropriate amount due as a result thereof, said destroyed Car will be removed from the coverage of this Agreement as of the date that payment of car hire payments ceased.
- H. The calculations required in Section 7.E. shall be made within five (5) months after the end of each calendar year ("Yearly Calculations"). However, to enable Lessor to meet its financial commitments, Lessor shall, prior to making such calculations, retain the payments received by it on behalf of Lessee. Further, since the parties desire to determine on a quarterly basis the approximate amount of the rental charges due Lessor, Lessor shall within three (3) months after the end of each calendar quarter, calculate on a quarterly year to date basis the amount due it pursuant to this Section. Any amounts payable pursuant to the preceding sentence shall be paid promptly following such calculation, provided, however, that following the Yearly Calculation, any amount paid to either party in excess of the amounts required by the yearly calculation shall be promptly refunded to the appropriate party. The above calculations shall be made separately from the calculations on similar equipment which Lessee has previously leased from Lessor.
- I. If, with respect to any calendar quarter during the Initial Term of this Agreement or any Extended Terms hereof, Revenues are less than Base Rental, Lessor may, at any time, at its option and upon not less than ten (10) days prior written notice to Lessee, terminate this Agreement as to such Cars as Lessor shall determine; provided, however, that Lessee may, at its option, within ten (10) days of receipt of such notice from Lessor, void such termination notice by paying to Lessor an amount equal to the difference between payments for such calendar quarter and the Base Rental for such calendar quarter.

## 8. Possession and Use

- A. So long as Lessee shall not be in default under this Agreement, Lessee shall be entitled to the possession, use and quiet enjoyment of the Cars in accordance with the terms of this Agreement and in the manner and to the extent the Cars are customarily used in the railroad freight business. However, Lessee's rights shall be subject and subordinate to the rights of any owner or secured party under any financing agreement entered into by Lessor in connection with the acquisition of the Cars which are the subject of this Agreement. Accordingly, following notice to Lessee from any such secured party or owner that an event of default has occurred at any time (including at a time prior to the effective date of this Agreement), and is continuing under such financing agreement, such secured



party may require either or both that all rentals and other sums due hereunder shall be paid directly to such party and that the Cars immediately be returned to such party. Lessee agrees that to the extent it has physical possession and can control use of the Cars, the Cars shall at all times be used and operated under and in compliance with the laws of the jurisdiction in which the same may be located and in compliance with all lawful acts, rules and regulations and orders of any governmental bodies or officers having power to regulate or supervise the use of such property, except that either Lessor or Lessee may in good faith and by appropriate proceedings, contest the application of any such act, rule, regulation or order in any reasonable manner at the expense of the contesting party.

- B. Lessee will not directly or indirectly create, incur any mortgage, pledge, lien, charge, encumbrance, or other security interest or claim on or with respect to the Cars, or any interest therein or in this Agreement or Schedule thereto. Lessee will promptly, at its expense, take such action as may be necessary to duly discharge any such mortgage, pledge, lien, charge, encumbrance, security interest, or claim if the same shall arise at any time.

## 9. Default

- A. The occurrence of any of the following events shall be an event of default:
  - (i) The nonpayment by Lessee of any sum required herein to be paid by Lessee within ten (10) days after the date any such payment is due.
  - (ii) The breach by Lessee of any other term, covenant or condition of this Agreement, which is not cured within ten (10) days thereafter.
  - (iii) Any act of insolvency by Lessee, or the filing by Lessee of any petition or action under any bankruptcy, reorganization, insolvency or moratorium law, or any other law or laws for the relief of, or relating to, debtors.
  - (iv) The filing of any involuntary petition under any bankruptcy, reorganization, insolvency or moratorium law against Lessee that is not dismissed within sixty (60) days thereafter, or the appointment of any receiver or trustee to take possession of the properties of Lessee, unless such petition or appointment is set aside or withdrawn or ceases to be in effect within sixty (60) days from the date of said filing or appointment.
- B. Upon the occurrence of any event of default hereunder, without limiting Lessor's rights and remedies otherwise provided by law, which shall be available to Lessor in addition to the following rights and remedies (no right or remedy of Lessor being exclusive but all such rights and remedies being available at all times to Lessor and Lessor in any case being entitled

to recover all costs, expenses and attorney fees incurred by Lessor in enforcing its rights and remedies hereunder), Lessor may, at its option, terminate this Agreement, and/or may

- (i) Proceed by any lawful means to enforce performance by Lessee of this Agreement or to recover damages for a breach thereof, and/or
- (ii) By notice in writing to Lessee, terminate Lessee's right of possession and use of the Cars, whereupon all right and interest of Lessee in the Cars shall terminate; and thereupon Lessor may, enter upon any premises where the Cars may be located and take possession of the Cars and henceforth hold, possess and enjoy the same free from any right of Lessee. Lessor shall, in addition, have the right to recover from Lessee any and all rental amounts which, under the terms of this Agreement, may then be due or which may have accrued to that date, together with Lessor's costs and expenses, including reasonable attorney fees incurred in securing such enforcement hereof.

#### **10. Termination**

Upon the early termination of this Agreement, pursuant to Sections 9 and 7.1. herein, Lessee shall reimburse Lessor for the actual costs incurred to have each Car remarked with the railroad markings of the subsequent lessee. Upon expiration of this Agreement or termination by Lessee or Lessor at any time during the Extended Terms, Lessee shall be responsible for only one-half of such remarking costs. Upon either early termination, expiration or termination of the Agreement during the Extended Terms by Lessee or Lessor, Lessee shall also perform, at Lessors request, the following; (i) store, at Lessee's expense, any or all of the Cars for up to six (6) months, and/or (ii) provide outbound loads for any or all of the Cars. During any storage, as provided above, Lessee shall not be required to pay rent as set forth in Section 7, and shall not be entitled to the use of any of the Cars stored unless Lessee obtains prior written consent from Lessor and makes payment to Lessor of an amount equal to all car hire revenues, including mileage which the Cars would have earned during such use off Lessee's railroad lines.

#### **11. Indemnities**

- A. LESSEE SHALL DEFEND, INDEMNIFY AND HOLD LESSOR HARMLESS AGAINST ANY LOSS, DAMAGE, DESTRUCTION OR LIABILITY WITH RESPECT TO THE CARS WHICH IS OCCASIONED BY THE FAULT OF LESSEE, WHICH OCCURS WHILE THE CARS ARE IN LESSEE'S POSSESSION OR CONTROL OR IN THOSE INSTANCES IN WHICH THE AAR INTERCHANGE RULES WOULD ASSIGN RESPONSIBILITY FOR SUCH LOSS, DAMAGE, DESTRUCTION OR LIABILITY TO LESSEE.
- B. LESSOR WILL DEFEND, INDEMNIFY AND HOLD LESSEE HARMLESS AGAINST ANY AND ALL LOSS, DAMAGE OR DESTRUCTION OF OR TO THE CARS, USUAL WEAR AND TEAR EXCEPTED, AND ANY CLAIM, CAUSE OF ACTION, DAMAGE, LIABILITY, COST OR EXPENSE WHICH

MAY BE ASSERTED AGAINST LESSEE WITH RESPECT TO THE CARS, EXCEPT FOR THOSE CLAIMS, CAUSES OF ACTION, DAMAGES, LIABILITIES, COSTS OR EXPENSES FOR WHICH LESSEE SHALL BE RESPONSIBLE AS SET FORTH IN SECTION 11.A.

**12. Representations, Warranties and Covenants**

Lessee represents, warrants and covenants that:

- A. Lessee is a corporation duly organized, validly existing and in good standing under the laws of the state where it is incorporated and has the corporate power, authority and, insofar as is material to Lessor's rights under this Agreement, is duly authorized to do business wherever necessary, to carry out its present business and operations and to own or hold under lease its properties and to perform its obligations under this Agreement.
- B. The entering into and performance of this Agreement will not violate any judgment, order, law or regulation applicable to Lessee, or result in any breach of, or constitute a default under, or result in the creation of any lien, charge, security interest or other encumbrance upon the assets of Lessee or on the Cars pursuant to any instrument to which Lessee is a party or by which it or its assets may be bound.
- C. There is no action or proceeding pending or threatened against Lessee before any court or administrative agency or other governmental body which might result in any material adverse effect on the business, properties and assets, or conditions, financial or otherwise, of Lessee such that Lessee's ability to perform its obligations hereunder would be materially and adversely affected.
- D. There is no fact which Lessee has not disclosed to Lessor in writing, nor is Lessee a party to any agreement or instrument or subject to any charter or other corporate restriction which, so far as Lessee can now reasonably foresee, will individually or in the aggregate materially adversely affect the business, condition or any material portion of the properties of Lessee or the ability of Lessee to perform its obligations under this Agreement.

**13. Inspection**

Lessor shall upon prior notice to Lessee and during normal business hours have the right to enter the premises of Lessee where the Cars may be located for the purpose of inspecting and examining the Cars to insure Lessee's compliance with its obligations hereunder, provided Lessor hereby releases and agrees to indemnify Lessee, its agents, successors and assigns from all liability, cost and expense (including but not limited to loss of or damage to the property of either party and injury to or death of agents or employees of either party) resulting from or arising in any manner from Lessor's presence upon the property of Lessee. Lessee shall be notified in advance of any entrance upon Lessee's premises and shall have the option of being represented at any such inspection.

**14. Miscellaneous**

- A. This Agreement and the Schedules contemplated hereby shall be binding upon and inure to the benefit of the parties hereto and their respective


successors and assigns, except that Lessee may not without the prior written consent of Lessor assign this Agreement or any of its rights hereunder or sublease any Cars to any party, and any purported assignment or sublease in violation hereof shall be void.

- B. Both parties agree to execute the documents contemplated by this transaction and such other documents as may be required in furtherance of any financing agreement entered into by Lessor or its assignees in connection with the acquisition or financing or use of the Cars in order to confirm the financing party's interest in and to the Cars, this Agreement and schedules hereto and to confirm the subordination provisions contained in Section 8 of this Agreement.
- C. It is expressly understood and agreed by the parties that this Agreement constitutes a lease of the Cars only and no joint venture or partnership is being created. Notwithstanding and calculation of rental payments, nothing herein shall be construed as conveying to Lessee any right, title or interest in the Cars except as a lessee only.
- D. No failure or delay by Lessor shall constitute a waiver or otherwise affect or impair any right, power or remedy available to Lessor, nor shall any waiver or indulgence by Lessor or any partial or single exercise of any right, power or remedy preclude any other of further exercise thereof or the exercise of any other right, power or remedy.
- E. This Agreement shall be governed by and construed according to the laws of the State of California.
- F. Lessee shall notify Lessor as soon as is practicable of any accident connected with the malfunctioning or operation of the Cars when such accident occurred while the Car was not in Lessee's possession or control, including in such report, where available, the time, place and nature of the accident and the damage caused, the names and addresses of any persons injured and of witnesses, and other information pertinent to Lessor's investigation of the accident.
- G. Lessee shall also notify Lessor in writing within five (5) days after any attachment, tax lien or other judicial process shall attach to any item. Lessee shall furnish to Lessor promptly upon its becoming available, a copy of its annual report submitted to the ICC and, when requested, copies of any other income or balance sheet statements required to be submitted to the ICC.
- H. All notices hereunder shall be in writing and shall be deemed given when delivered personally or when deposited in the United States mail, postage prepaid, certified or registered, addressed to the president of the other party at the address set forth.
- I. The obligations and liabilities of Lessor and Lessee hereunder shall survive the expiration or earlier termination of this Agreement.

- J. This Agreement represents the entire Agreement. This Agreement shall not be modified, altered, or amended, except by an agreement in writing signed by the parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in duplicate as of the day and year first herein written.


ITEL CORPORATION,  
RAIL DIVISION

By: 

Title: President

Date: 7-10-81

EAST CAMDEN AND HIGHLAND  
RAILROAD COMPANY

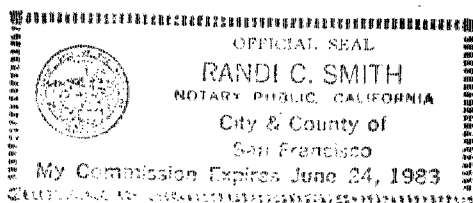
By: 

Title: Exl. V.P.

Date: 6-26-81

STATE OF CALIFORNIA )  
 ) ss:  
COUNTY OF SAN FRANCISCO )

On this 10th day of July, 1981, before me personally appeared Edward M. O'Dea, to me personally known, who being by me duly sworn says that such person is President of Itel Corporation, Rail Division, that the foregoing Lease Agreement was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Randi C. Smith  
Notary Public

STATE OF ARKANSAS )  
 ) ss:  
COUNTY OF OUACHITA )

On this 26th day of JUNE, 1981, before me personally appeared DON E. GHENT, to me personally known, who being by me duly sworn says that such person is EXE. VICE-PRESIDENT of East Camden and Highland Railroad Company, that the foregoing Lease Agreement was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

MY COMMISSION EXPIRES 11-15-84

Sarah L. Derrick  
Notary Public

EQUIPMENT SCHEDULE NO. 1

Itel Corporation, Rail Division hereby leases the following Cars to \_\_\_\_\_  
EAST CAMDEN AND HIGHLAND RAILROAD COMPANY  
subject to the terms and conditions of that certain Lease Agreement dated as of  
June 12, 1981.

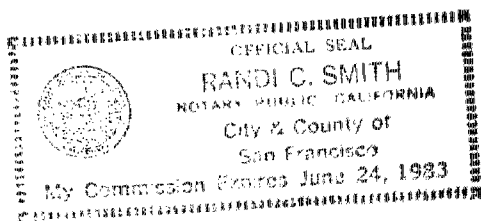
A.A.R. Mech. Desig.	Description	Numbers	Dimensions			Doors Width	No. of Cars
			Length	Inside Width	Height		
XM	60', 100 Ton General Boxcars with 15" End-of- Cushioning	EACH 4151- 4250	60'10"	9'6"	11'0"	12' Sliding	100

ITEL CORPORATION, RAIL DIVISION

BY: Edward M. O'DeaTITLE: PresidentDATE: 7-10-81EAST CAMDEN AND HIGHLAND  
RAILROAD COMPANYBY: Don E. HuntTITLE: Exe. V. P.DATE: 6-26-81

STATE OF CALIFORNIA )  
 ) ss:  
COUNTY OF SAN FRANCISCO )

On this 10<sup>th</sup> day of July, 1981, before me personally appeared Edward M. O'Dea, to me personally known, who being by me duly sworn says that such person is President of Itel Corporation, Rail Division, that the foregoing Equipment Schedule No. 1 was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Randi C. Smith  
Notary Public

STATE OF ARKANSAS )  
 ) ss:  
COUNTY OF OUACHITA )

On this 26th day of JUNE, 1981, before me personally appeared DON E. GHENT, to me personally known, who being by me duly sworn says that such person is EXE. VICE-PRESIDENT of East Camden and Highland Railroad Company, that the foregoing Equipment Schedule No. 1 was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

MY COMMISSION EXPIRES 11-15-84

Sarah E. Derrick  
Notary Public